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**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE BOARD OF PATENT APPEALS AND INTERFERENCES**

In re Application of: Senez, Raymond

Art Unit: 3624

Application No. 09/514,271

Examiner: Jagdish Patel

Filed: February 28, 2000

Attorney Docket No. 062107-0014-US

For: AUTOMATED BILL PAYMENT SYSTEM

**BRIEF ON APPEAL FEE TRANSMITTAL**

Mail Stop Appeal Brief - Patents  
Commissioner for Patents  
P.O. Box 1450  
Alexandria, VA 22313-1450

Sir:

An original of the applicant's Brief on Appeal in the above-entitled application is submitted herewith. The item(s) checked below apply:

☐ The Brief filing fee is \$500.00.

☒ Applicant has qualified for the 50% reduction in fee for an independent inventor, nonprofit organization or small business concern and the Brief filing fee is \$250.00.

Please charge the required Brief filing fee to Morgan, Lewis & Bockius LLP's Deposit Account No. 50-0310. A copy of this sheet is enclosed.

Date: June 30, 2006

Respectfully submitted,

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**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE**

Application of: SENEZ, Raymond

Confirmation No.: 9338

Serial No.: 09/514,271

Art Unit: 3624

Filed: February 28, 2000

Examiner: Jagdish Patel

For: AUTOMATED BILL PAYMENT SYSTEM Attorney Docket No: 062107-0014-US

**APPEAL BRIEF**

Mail Stop Appeal Brief - Patents  
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P. O. Box 1450  
Alexandria, VA 22313-1450

Sir:

(i) Real party in interest

The real party in interest is Telpay Incorporated, Winnipeg, Manitoba, Canada.

(ii) Related appeals and interferences

There are no related appeals and interferences.

(iii) Status of claims

Claims 1-26, which are all the claims in the application, have been rejected. All the claims are being appealed.

(iv) Status of amendments

No amendment was filed subsequent to final rejection.

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(v) Summary of claimed subject matter

The present invention is an automated bill payment system and method using a communication network such as the Internet. Conventional network-based bill payment systems come in two flavors. In one, each biller bills his clients individually and collects remittances from them. In a second, bills from a variety of billers are consolidated by a billing server and forwarded to the payers who pay them by issuing remittance instructions to the billing server.

Applicant's invention is a network-based system and method in which bills are prepared by the billers and provided directly to clients by the billers without the services of a bill processing server. This gives each biller control of billing formats and what is presented to his clients and avoids the need for contractual arrangements between the billers and a centralized billing service. The bills include remittance instructions illustratively embedded in HTML code and means for activating such instructions, illustratively in the form of an icon displayed in the bill. The instructions are addressed to a bill processing server that causes the bill to be paid by debiting the client's account and crediting the biller's account.

Claim 1

Claim 1 is directed to a system for the automated payment of bills. As shown in Fig. 1, the system comprises a bill processing server 12 (page 6, line 27 of specification) connected to a network 10 (page 6, line 27), one or more financial institution servers 16 X, Y, Z (page 6, lines 28-29) connected to the network, one or more biller servers 14A, B, C (page 6, line 28) connected to the network, and at least one client computer 18 (page 6, line 29) connected to the network.

Further details of the system are specified in the seven paragraphs of claim 1 following paragraph (d). These details include:

means to format bill information and bill payment instructions associated with at least one billing account;

means in the bill information for initiating bill payment instructions;

a client computer that receives bills from a billing server, including a processor, communications means, a server access program, a display and input means;

wherein

the processor causes communication of the bill payment instructions to the bill processing server when the means for initiating bill payment is selected;

the bill processing server debits a client banking account and credits a biller banking account,

the bill processing server reports the payment of the credit to the biller server; and

the bill processing server reports the debit to the client computer.

Means plus function language

As noted above, the biller server includes means to format bill information and bill payment instructions and the bill information includes means for initiating bill payment instructions. As set forth at page 10, lines 14-27 of the specification, in one aspect of the invention these means include a home page on which is displayed an image of a client's bill when the client enters his account number. The bill image is shown in Fig. 2. As stated at page 10, lines 20-21, the bill image is part of a larger HTML form. As stated at page 10, lines 26-28 and shown in the bottom right corner of Fig. 2, the bill information and payment instructions include a modifiable input field 22 that presents a payment amount and a means for initiating bill payment instructions that includes payment icon 24.

In another aspect of the invention, set forth at page 11, lines 10-19, the bill images are sent by e-mail from the biller servers 14 to client computer 18.

The client computer comprises communication means, input means and several other components. The computers used in the present invention are described at page 8, lines 16-29. The input means is described at page 8, lines 23-24 as an alphanumeric input device for communicating information and command selections. An alphanumeric keyboard is shown as part of client computer 18 in Fig. 1. Other input means can also be used in the practice of the invention. Fig. 1 also depicts communication lines connecting client computer 18 to biller servers 14 and bill processing server 12. These communication lines are instances of the communication means of claim 1.

When the payment icon is selected, the client computer 18 sends the HTML form to the bill processing server, as stated at page 10, lines 27-28. The bill processing server debits the client's account and credits the biller's account at the appropriate financial institutions as described at page 10, line 30 to page 11, line 8.

#### Claim 14

Claim 14 is directed to a network-based method for viewing and paying bills. The preamble recites a communications network (element 10 of Fig. 1; page 6, line 27) comprising: a bill processing server 12 (page 6, line 27) connected to the network, one or more financial institution servers 16 X, Y, Z (page 6, lines 28-29) connected to the network, one or more biller servers 14A, B, C (page 6, line 28) connected to the network, and at least one client computer 18 (page 6, line 29) connected to the network, wherein the client and the biller have banking accounts associated with at least one of the financial institution servers and the client has a billing account associated with at least one of the billing servers.

The method comprises ten steps recited in paragraphs (a) to (j) comprising:

- (a) formatting bill information and bill payment instructions including means for initiating bill payment instructions;
- (b) transmitting the bill information and bill payment instructions from the biller server to a client;
- (c) receiving and displaying the bill information at the client computer;
- (d) selecting the means for initiating bill payment instructions;
- (e) transmitting the bill payment instructions to the bill processing server;
- (f) receiving the bill payment instructions at the bill processing server;
- (g & h) debiting a client banking account and crediting a biller banking account; and
- (i & j) reporting a credit to the biller server and a debit to the client computer.

Means plus function language

As recited in paragraph (a) of claim 14, the bill information includes means for initiating bill payment instructions. As stated at page 10, lines 26-28 and shown in the bottom right corner of Fig. 2, the bill information and payment instructions include a modifiable input field 22 that presents a payment amount and a means for initiating bill payment instructions that includes payment icon 24.

As recited in paragraph (c) of claim 14, the client computer comprises communication means, input means and several other components. The computers used in the present invention are described at page 8, lines 16-29. The input means is described at page 8, lines 23-24 as an alphanumeric input device for communicating information and command selections. An alphanumeric keyboard is shown as part of client computer 18 in Fig. 1. Other input means can also be used in the practice of the invention. Fig. 1 also depicts communication lines connecting

client computer 18 to biller servers 14 and bill processing server 12. These communication lines are instances of the communication means of claim 1.

(vi) Grounds of rejection to be reviewed on appeal

Claims 1-26 were rejected under 35 USC 103(a) as unpatentable over Kitchen et al. (U.S. Patent No. 6,289,322) in view of Remington et al. (U.S. Patent No. 6,070,150).

(vii) Argument

Kitchen describes a centralized bill presentment and payment system in which bills are aggregated via network 100 at a central CF station 140 from biller stations 110a-d and presented to payor stations 120a-d for review and payment. Payment instructions are received at the central CF station from the payor stations and are executed by the CF station at financial institutions FI stations 130a-c. The centralized nature of Kitchen's system is readily apparent from his Figure 2 which shows a variety of biller stations, payor stations and FI stations disposed around a single CF station 140 at the center.

Kitchen has all the problems of a centralized billing system that applicant wishes to avoid. The biller does not have control of the billing process, of the billing formats or of exactly what is presented to his clients.

To make up for the deficiencies of Kitchen, the Examiner relies on Figure 4 of Remington. Remington discloses a system in which bills are presented via network 116 by a biller 112 to a consumer 114 at step 132 and payment instructions are transmitted by the consumer back to the biller at step 134.

This biller-driven system, however, does not teach or suggest that the bill payment instructions be communicated from the client computer to the bill processing server as recited in

applicant's independent claims 1 and 14. Rather, it teaches away from such a centralized arrangement because Remington goes to considerable length to distinguish his system from prior art systems in which the remittance information is not returned to the biller. "A reference may be said to teach away when a person of ordinary skill, upon reading the reference, would be discouraged from following the path set out in the reference . . . ." In re Gourley, 27 F. 3d 551, 553, 31 USPQ 2d 1130, 1131 (Fed. Cir. 1994); quoted with approval Tec Air, Inc. v. Denso Mfg. Michigan, Inc., 192 F. 3d 1353, 52 USPQ 2d 1294, 1298 (Fed. Cir. 1999). Specifically, at Col. 4, line 66 to Col. 5, line 2, Remington criticizes the prior art system of Fig. 3 in which the remittance information is sent directly to the consumer's bank as having "a limitation in that the biller has little or no control over the format concerning how the bill is presented to the consumer or how the remittance information is to be returned."

Accordingly, in introducing his invention, Remington states at Col. 5, lines 29-33, "It would be advantageous to devise a bill presentment and payment system that enables the biller to directly control the format for presenting the bill, the format for receiving any remittance information, and any other content to be sent to the consumer." And he goes on to say at Col. 5, lines 38-40 that it would be "beneficial to devise a bill presentment and payment system that integrates smoothly with entrenched accounting systems so that companies are not required to change their traditional ways of practice."

Some of the advantages of this arrangement are enumerated at Col. 10, lines 3-15:

"The biller controls what information and the particular format that the bill is presented to the consumer. The bill may be formatted in a particular manner that allows the remittance information to seamlessly integrated with the biller's reconciliation process. The bill may define the nature, semantics, and format of other information/data items that the biller



would like returned as part of the electronic remittance in addition to the standard data used to reconcile a statement. For example, the biller might like to collect from the consumer items of dispute, comments, advertising responses, response forms (e.g., signing up for a new service), purchasing (e.g., buying something advertised), and the like.”

In both Remington and Kitchen, the bill includes a means for initiating bill payment instructions. However, in both Remington and Kitchen, when the payor initiates the bill payment instructions, the bill payment instructions are returned to the bill presenter. In the case of Fig. 4 of Remington, the biller is the bill presenter and bill payment instructions are returned to the biller. In the case of Kitchen, the central bill processor (CF) is the bill presenter and bill payment instructions are returned to the central bill processor. In alternative embodiments shown in Figs. 11 and 12 of Remington, the bill is presented to the payor by an intermediary 252 and the bill payment instructions are returned to the intermediary who presented the bill. There is no teaching in either Remington or Kitchen of any bill format that contains a means for initiating bill payment instructions, which, when selected, causes the bill payment instructions to be sent to any party other than the bill presenter. Thus, neither Kitchen, nor Remington, alone or in combination, teaches or suggests the claimed invention in which the bill is presented by the biller but the remittance instructions are sent to a bill processing server and not back to the biller.

The Examiner argues in his final Office Action that the applicant cannot attack the references individually and that he has relied on Remington merely to modify Kitchen with the teaching that the bill information and remittance information is received directly from the biller and not from the bill processing server. In the Examiner’s opinion, one of ordinary skill would have recognized the advantages of Remington’s billing method and incorporated it in Kitchen.

This, however, ignores Remington's criticism of arrangements in which the remittance information is not returned to the bill presenter and it ignores Kitchen's and Remington's consistent teachings over several different examples of bill payment systems that the remittance information should be returned to the bill presenter. Despite the repeated teachings of Remington and Kitchen, the applicant has broken with their arrangements and devised a new system in which the billing information is presented by the biller but the remittance information is sent to a bill processing server.

Moreover, while the Examiner maintains that the benefits of Remington's bill presentation by the biller would have been obvious to one skilled in the art, it is also clear that such benefits were not obvious to Remington who presumably is one skilled in the art. Despite his knowledge of these advantages and despite his knowledge of both biller-driven systems in which the biller presented the bill and collected remittances as in Fig. 4 and centralized systems in which intermediaries presented the bill and collected remittances as in Figs. 11 and 12, Remington never appreciated the advantages of a hybrid system such as applicant's in which the bill is presented by the biller but the remittance information is sent to a bill processing server.

It is evident that the Examiner has used hindsight in taking a piece of the Remington disclosure and combining it with the framework laid out in Kitchen. Nothing in Remington and nothing in Kitchen suggests such a combination and Remington is even critical of schemes such as that of Fig. 3 where the remittance information is not returned to the bill presenter. The Examiner's argument that it would have been obvious to combine Remington with Kitchen simply must fail in view of Remington's failure to make such a combination despite his knowledge of both biller-driven systems and centralized systems. Gore v. Garlock, 721 F. 2d 1540, 220 USPQ 303, 312-313 (Fed. Cir. 1983).

The differences between applicant's invention and the references are emphasized in the third, fourth and fifth wherein clauses in applicant's claim 1. Specifically, the third clause specifies that the client computer receives and views bill information from a biller server and not from a bill processing server while the fourth clause specifies that the processor integral to the client computer communicates bill payment instructions to the bill processing server and the fifth clause specifies that the bill processing server causes accounts to be debited and credited upon receipt of the bill payment instructions. Similar limitations are found in paragraphs b, f, g and h of claim 14.

Since Kitchen and Remington do not reach or suggest a system or method that operates in this way, claims 1 and 14 are believed patentable. Dependent claims 2-13 and 15-26 are believed patentable for the same reasons claims 1 and 14 are patentable.

(viii) Claims Appendix

1. (Previously presented): A system for the automated payment of bills comprising:
  - (a) a bill processing server connected to a network,
  - (b) one or more financial institution servers connected to said network,wherein a client has at least one banking account associated with at least one of said one or more financial institution servers and a biller has at least one banking account associated with at least one of said one or more financial institution servers;
  - (c) one or more biller servers connected to said network, wherein said client has at least one billing account associated with at least one of said one or more biller servers;
  - (d) at least one client computer connected to said network;wherein said one or more biller servers includes means to format bill information and bill payment instructions associated with said at least one billing account;

and wherein said bill information further includes means for initiating bill payment instructions;

and wherein said at least one client computer comprises a processor, communication means, a server access program and a display for receiving and viewing from said one or more biller servers and not said bill processing server said bill information, and input means for selecting said means for initiating bill payment instructions;

and wherein said processor integral to said at least one client computer is responsive to said input means and causes said communication means to communicate said bill payment instructions to said bill processing server when said means for initiating bill payment instruction is selected;

and wherein said bill processing server causes a selected one of said at least one client banking account to be debited and a selected one of said at least one biller banking account to be credited, upon receipt of said bill payment instructions;

and wherein said bill processing server reports to a selected one of said one or more biller servers a selected one of said at least one billing account associated with said biller and a credit amount;

and wherein said bill processing server reports to a selected one of said at least one client computer a selected one of said at least one billing account associated with said client and a debit amount.

2. (Original) The system of claim 1 further including a database integral to said bill processing server for correlating said at least one client billing account stored in said bill payment instructions with a unique alphanumeric identifier assigned to said client and stored in said bill processing server, wherein said client is identified by said bill processing server when

said bill payment instructions are received by said bill processing server and wherein a confirmation message is sent to said client upon identification of said client, and wherein said client confirms said bill payment instructions prior to said bill processing server debiting and crediting said client and biller banking accounts respectively.

3. (Original) The system of claim 1 wherein information identifying said client and said biller banking accounts are stored in said bill processing server.

4. (Original) The system of claim 1 wherein said bill information is a bill image presentable to said client and said means for formatting said bill information and said bill payment instructions is an HTML form.

5. (Original) The system of claim 4 wherein said network is the World Wide Web and said server access program is a web browser.

6. (Original) The system of claim 5 wherein said HTML form is loaded into a selected one of said at least one client computer from a selected one of said one or more biller servers upon request by said client.

7. (Original) The system of claim 4 wherein said HTML form is contained in an e-mail forwarded by one of said one or more biller servers to a selected one of said at least one client computer.

8. (Previously presented) The system of claim 1 wherein said means for initiating bill payment instructions is an icon.

9. (Original) The system of claim 4 wherein the billing image further includes a biller name, a billing account number, an invoice number, an invoice period, details of activity during said invoice period, and a total amount owed for the invoice period.

10. (Previously Presented) The system of claim 4 wherein said billing image further includes marketing banners and marketing hypertext links to information stored on said one or more biller servers.

11. (Original): The system of claim 1 wherein said bill payment instructions include a payment amount, a billing account number, an invoice number and a biller identification number.

12. (Original) The system of claim 1 wherein said at least one client computer is a workstation, laptop, or wireless personal digital assistant.

13. (Original) The system of claim 1 wherein communication between said at least one client computer and said bill processing server is in an HTML form using SSL 128 bit encryption.

14. (Previously Presented): A method of viewing and paying bills over a communications network, said communications network comprising: a bill processing server connected to a network, one or more financial institution servers connected to said network, wherein a client has at least one banking account associated with at least one of said one or more financial institution servers and a biller has at least one banking account associated with at least one of said one or more financial institution servers; one or more biller servers connected to said network, wherein said client has at least one billing account associated with at least one of said one or more biller servers; and at least one client computer connected to said network, the method comprising the steps of:

(a) formatting at a selected one of said one or more biller servers bill information and bill payment instructions associated with a selected one of said at least one billing account, wherein said bill information includes means for initiating bill payment instructions;

(b) transmitting said bill information and said bill payment instructions from a selected one of said one or more biller servers and not said bill processing server to a selected one of said at least one client computer;

(c) receiving and displaying said bill information on said selected one of said at least one client computer, wherein said selected one of said at least one client computer comprises a processor, communication means, a server access program and a display for receiving and displaying said bill information, and input means for selecting said means for initiating bill payment instructions;

(d) selecting said means for initiating bill payment instructions;

(e) transmitting said bill payment instructions from said selected one of said at least one client computer to said bill processing server;

(f) receiving said bill payment instructions into said bill processing server;

(g) debiting a selected one of said at least one client banking account;

(h) crediting a selected one of said at least one biller banking account

(i) reporting said selected one of said at least one billing account and a credit amount to said selected one of said one or more biller servers; and

(j) reporting said selected one of said at least one billing account and a debit amount to said selected one of said at least one client computer.

15. (Original) The method of claim 14 further including the steps of:

(a) identifying said client by correlating said at least one client billing account stored in said bill payment instructions with a unique alphanumeric identifier assigned to said client and stored in said bill processing server;

(b) sending a confirmation message to said client upon identification of said client; and

(c) confirming said bill payment instructions prior to said bill processing server debiting and crediting said client and biller banking accounts respectively.

16. (Original) The method of claim 14 wherein information identifying said client and said biller banking accounts are stored in said bill processing server.

17. (Original) The method of claim 14 wherein said bill information is a bill image presentable to said client and said means for formatting said bill information and said bill payment instructions is an HTML form.

18. (Original) The method of claim 17 wherein said network is the World Wide Web and said server access program is a web browser.

19. (Original) The method of claim 18 wherein said HTML form is loaded into a selected one of said at least one client computer from a selected one of said one or more biller servers upon request by said client.

20. (Original) The method of claim 17 wherein said HTML form is contained in an e-mail forwarded by one of said one or more biller servers to a selected one of said at least one client computer.

21. (Original) The method of claim 14 wherein said means to communicate bill payment instructions is an icon.

22. (Original) The method of claim 17 wherein the billing image further includes a biller name, a billing account number, an invoice number, an invoice period, details of activity during said invoice period, and a total amount owed for the invoice period.



23. (Previously Presented): The method of claim 17 wherein said billing image further includes marketing banners and marketing hypertext links to information stored on said one or more biller servers.

24. (Original) The method of claim 14 wherein said bill payment instructions include a payment amount, a billing account number, an invoice number and a biller identification number.

25. (Original) The method of claim 14 wherein said at least one client computer is a workstation, laptop, or wireless personal digital assistant.

26. (Original) The method of claim 14 wherein communication between said at least one client computer and said bill processing server is in an HTML form using SSL 128 bit encryption.

(ix) Evidence Appendix

None

(x) Related Proceedings Appendix

None

In view of the forgoing remarks, the claims in this application are believed to be in condition for allowance. Such action is respectfully requested.

Date: June 30, 2006

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